

FULBRIGHT BRAINSTORMS 2004 – NEW TRENDS IN HIGHER EDUCATION

Mr Prometheus – unbound, shackled or released on parole? Being certain Adumbrations on the Marvellously Changing Relationship between Government and Higher Education in Western Europe.

Guy Neave¹.

Introduction.

Just over a decade ago, when Europe appeared a somewhat simpler spot, a good colleague and I got together to try and puzzle out some of the more spectacular changes then taking place between government and higher education in Western Europe. Much has changed since. Not least a whole range of new perspectives – globalisation, internationalisation and the way Europe seeks to come to grips with them – have insinuated themselves into our awareness. Amongst the things that have grown up in the meantime, including both creative and arterial tension, is an extra layer in the relationship between Government and higher education and one which, ten years ago, few paid much attention to, though in the intervening period, many have seen the error of their ways. This parades under many flags: European integration, the supra-national layer in the co-ordination of higher education policy, the ‘Bologna Process’. To cap it all, my distinguished colleague suffered what, from the stand point of the student of higher education, can only be described as a Fate worse than death. His analyses of the world of higher education became rarer, though no less appreciated. He embarked on a career of formal Magnificence as Rector. His Mission profile mutated. He now changes what previously he contemplated. And, to boot, he has discovered a strange pigheadedness amongst his colleagues and friends. In short, having won a golden reputation as a poacher, he now spends his days as a gamekeeper.

Symbolism and Literary Conceits.

As we explored, each within his particular perspective - his through the canons of Public Administration, mine through the vagaries of contemporary history and comparative higher education - the implications that followed the replacement of that relationship between government and higher education variously known as ‘The Guardian Model’ (Neave, 2000) or more prosaically as State Control by a more subtle and sophisticated system of State surveillance, we looked for a symbol – a literary conceit – to represent Higher Education. Mr Prometheus was that symbol. And very appropriate Mr P. was, too.

Prometheus is a symbol of many dimensions: of Mankind’s daring in the face of divine ordinance – Prometheus was punished, as you know, in a singularly nasty way for stealing the sacred flame from the gods. He is also the symbol of innovation and daring. As far as Western Europe was concerned, we concluded that indeed, Mr Prometheus – Higher Education made flesh – had been unchained. The question to which I wish to address myself follows on from this estimate. Is he still unshackled?

Whether today Mr Prometheus is unbound, still shackled or merely released on parole from what is conceived by the canons of Ultra-liberalism as the dead hand of the state, how the relationship

¹ Guy Neave is Directeur de Recherche at the International Association of Universities, Paris and Professor of Comparative Higher Education Policy Studies at the Centrum voor Hoger Onderwijs Beleid en Studies, University of Twente, Netherlands.

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between government and institution has evolved in the meantime, is no small issue in itself. It is fraught with methodological niceties. How one assesses the degree of change, as Napoleon's Foreign Minister and regicide, M. de Talleyrand Périgord once remarked of treason itself, is largely a question of dates. And M. de Talleyrand Périgord – that phoenix of duplicity – had vast experience in the matter. Paradoxically, the question of dates is, if anything, more important today than perhaps it has ever been, though it has to be said that higher education policy, conceived comparatively, rarely if ever concerns itself with chronology in that form. Rather, it is concerned – and is increasingly with a particular aspect of chronology – with the pace of change – with an ever accelerating present rather than with the origins that have led up to the contemporary condition.

Even so, irrespective of whether one subscribes or not to the strangely Maoist notion of the permanency of change in higher education, or simply notes it as one of the intellectual fashions to which higher education – like education itself – is so often prone [Birnbaum, 2001] no answer can be given to the Fate of Prometheus without it. Whether Prometheus is still free or not depends on comparing his present state with a previous condition. Unbound compared to when? Free to do and to decide what?

The First Glimmerings.

The first glimmerings of the apparent betterment of Prometheus' lot which we detected in 1991 [Neave & van Vught, 1991] involved the strengthening of institutional initiative. Since then they have grown into a major and irresistible trend throughout the decade. What was seen as the first cracks in the façade of State control and the process which we identified in terms of legal homogeneity – that is the central and detailed control and steering through legal enactment by central and national administration – is today largely a matter of history. And a large number of functions that once fell within the purview of central national administration subsequently have been delegated to the individual establishment. As an example of this expanding process, take for instance, the Austrian University Law of July 11th 2002. It gives us a neat summary – a vignette of the broader picture – and one all the more useful for the fact that the Austrian university in its historic form is not untypical of that close formal mode of control that once characterised systems of higher education in mainland Europe. (Leitner, 1998)

The *Universitätsgesetz* of 2002, transformed Austria's universities from being *stricto sensu* state dependent establishments into independent institutions, invested with individual legal responsibility for personnel, budget, for their own legal matters and employing their own personnel. [CHEPS Monitor 2003]

Conceptual Differences.

Those for whom such responsibilities are the norm will, of course, not see this as particularly innovative and still less radical. They will, doubtless, regard it as the errant espousing their norm or the sinner finally come to repentance. It would be a grievous error to do so, however. True, such reform endorses the notion of the university as a self-standing corporation and as the apparent master in its own house. But those who simply see it as a pale reflection of what they once did earlier and inevitably better, tend to forget one fundamental fact. Namely, that in Western Europe, the university was largely conceived less as a public service so much as a service to the state. And whilst this particular interpretation has very certainly gone the way of

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all flesh, that higher education is now interpreted as a service for the public to reconstruct itself to meet the onset of the Knowledge Society or the unknown perils of the Knowledge Economy, the embedding of this self same redefinition is, to put matters bluntly, the very essence not only of the change in relationship between government and institution. It also forms the corner stone of a more general reform of Higher education within the individual nation states of Western Europe this decade and a half past. To make no finer point, redefining the purpose of Europe's higher education, lies at the base of many of the difficulties and tensions such a transition inevitably gives rise to, not least of which whether internal governance is to be based on the principles of participant democracy, of collegiality or on the rationality of line-management, accountability and publicly verifiable goals and objectives. [de Groof, Neave & Svec, 1998]

In many respects, then, the strengthening of internal management, the greater weight laid upon the role of institutional leadership throughout the 90's may be seen as amplifying those developments already detectable and working their way through the higher education systems of Britain, the Netherlands and to a lesser extent, France in the course of the late Eighties. This situation led some of us to believe that the mode of co-ordination between government and institution was moving on from State control to what was variously qualified as 'state surveillance' [Neave & van Vught, 1991] Or as evidence for what some termed 'the Offloading State'. [Neave, 1988] And, more particularly towards a greater sensitivity to 'market forces' though a sensitivity to be developed at the institutional level.

Sins of Concentration.

By concentrating on those functions that appeared to be migrating from the corridors of Ministerial oversight and relocating at the institutional level, we were, hindsight now suggests, somewhat over-sanguine in seeing this as sundering the first link in the chain that bound Mr Prometheus to the rock of government. True, within the setting of the moment, and viewed from the standpoint of those functions such as conditions of service, the very fact that a such a devolution of functions was taking place suggested that indeed the scope of institutional autonomy was growing in proportion to the process of 'offloading' itself. Seen from the moment and against the general backdrop of established forms of co-ordination, driven by the traditional instrumentality of ministerial decree, circular and administrative enactment, the thesis of enhancing 'market forces' by conferring a greater degree of responsibility to the individual institution, was plausible indeed. That other systems of higher education, Sweden, Denmark as well as Portugal and Spain began to move in the same direction from the mid 1990s onward, seemed to add weight to this interpretation.

Assumptions and Presumptions.

The thesis of Prometheus Unbound – or if you prefer another less literary dimension, the increase in institutional autonomy – rested on a number of assumptions. The first of these was that the process of institutional unshackling would continue – which in a way it did by dint of other systems of higher education in Western Europe embarking on similar policies. The second assumption was however, more tenuous. It turned around the notion that functions of control and oversight offloaded by national administration would automatically flow down to the institutional level. Even with the most furious cudgelling of wits, this assumption is by no means easy to explain. One explanation is, of course, is the spirit of the times – namely the wish to show that new forms of co-ordination – variously presented as government redefining its role in terms of

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‘remote steering’ rather than close control – did indeed entail a corresponding reinforcement of institutional initiative. That, after all, was one of the fundamental credos of the ‘offloading state’, namely that institutional efficiency in terms of resource usage and output would rise if institutions had the latitude to shape them according to their specific strengths and needs. Besides, who in academia would be so perverse as to stand against the promise to enhance its basic value – autonomy?

Paradox of the Guardian Relationship.

Seen simply from the institutional level and compared against the situation that preceded it, there was much to suggest in Western Europe of the early 90’s that the range of decisions which then befell the institution had indeed increased as too had the latitude of the institution to take them. Significantly, however, autonomy enhanced no longer depended on what I described earlier as ‘the Guardian relationship’. Extending the formal dimensions of institutional autonomy and above all in those areas sometimes identified with the third money stream – that is, non public sources of revenue – in effect radically altered the basis of that historic relationship from one of distance and detachment of the university from ‘external interests’ to its exact opposite – namely the ability of individual establishments to develop what is to all intents and purposes a symbiotic relationship with the same. Yet, the phasing out of the ‘Guardian relationship’ which had grown up overnight on two centuries in Western Europe, was not without paradox. Without going into the finer details of the ‘Guardian relationship’ – and there are, truth to tell, many variations within this overall construct, the two best known being the Napoleonic model and the Humboldtian model – the former having shaped France, Italy, Spain *entre autres*, the latter Germany, Austria and Sweden, and to a certain degree the Netherlands (Neave, 1988) both its upkeep as too its undoing and dissolution in Western Europe were ironically enough, dependent on State initiative. (Neave, in press)

Confession: the Balm to the Soul.

Let me confess that this aspect tends to have been underplayed in our enthusiasm for attending to even the smallest details as evidence of Mr Prometheus’ unshackling. Even with the relatively weak and certainly hesitant steps towards ‘marketisation’ in Western Europe, it is inconceivable that ‘the market’ as a guiding ideological construct, determining the purpose, goals and performance of higher education could be envisaged without the State’s readiness to put it in place. Agreed, this is not the only way the ‘market’ may take root. As we have seen in Central and Eastern Europe, what was to all intents and purposes, the collapse of the State can create both a juridical and administrative vacuum in which even the most bizarre forms of higher education provision, literal privatisation and revenue raising can rise from the depths and sometimes flourish, albeit briefly (Tomusk, 2001; 2004)

Two Ways to increase Institutional Autonomy.

In short, Europe taken as a whole, contains two clear examples of ways by which de facto institutional autonomy may be extended, though the price to be paid by academia can often be high indeed. (Morgan, et al HEP September 2004 check) One involves the collapse of the State and the engulfing of higher education by the unleashed forces of individual demand. This was the fate of Central and Eastern Europe until the mid to late Nineties. Institutions suddenly found themselves cut off from the elemental instruments of oversight and control – not to mention,

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budgets amazingly shrunk. The second example is that of Western Europe where in effect the introduction of ‘the market’ remained subject to public oversight. Here, the State embarked upon an unprecedented ‘self denying ordinance’ – that is, ostensibly and voluntarily yielding up the historic trappings of oversight, though doing so in an incremental manner, step by step, such steps being variously marked by such legislative enactments as the French *Loi d’Orientation* of 1989, the Belgian Law on Federalisation of 1988 and the various measures undertaken by the Dutch government, culminating in the MoB Law (check exact title) of 1996 (de Boer, 2003)

That today governments increasingly see themselves as intermediaries for the market, whether they act as in the case of the United Kingdom as a ‘pseudo market’ ironically to ‘prime institutional behaviour’ or, as in the case of the French, to strengthen institutional self confidence, it remains nevertheless a fact that the higher education market in Western Europe is still predominantly shaped by public authorities. And indeed, it is most certainly questionable whether public oversight has effectively decreased – though there are, here and there, spectacular examples of individual establishments making their way – and their fortunes – on the basis of an amazing detachment of their reliance from the public purse. Here, the London School of Economics and Political Science is often quoted as a paragon of financial virtue with less than 10 percent of its annual budget, coming from public expenditure. It is a state of blessedness rarely attained anywhere else in the Western part of the landmass! (Ashworth at Dutch Rectors’ Conference 1995?) save perhaps in the nether reaches of Roumania.

Strategies of Institutional Responsiveness.

If we look at the broad strategic thrust of policies designed to enhance ‘institutional responsiveness’ whether politically defined in terms of various ‘communities’ to be serviced or defined within the canons of economic exchange as ‘sources of revenue to be cultivated and exploited’ we cannot fail to light upon two developments of note. The first is the foreshortening of the chain of administrative command which often goes hand in glove with a similar displacement in the siting of the sources of public finance. The second involves the development of alternative forms of institutional verification, sometimes allied the former, sometimes separate from it.

A good case can be made, of course, for interpreting these two developments as essentially the faces of the same coin - that coin being the strengthening of ‘market forces’ in higher education. And for that reason, the one is largely complementary to the other. The difference, I suspect, lies less in the desirable end – the diversification of institutional sources of revenue, and the strengthening of that notion dear to the Anglo Saxon heart, but translated only with considerable difficulty into other tongues, - to wit, public accountability to which is joined the assessment of institutional performance and ‘quality’.

Political Acceptability.

The difference in strategy lies, I would suggest, in the political acceptability within the world of higher education of the notion of the market itself. Where ‘the market’ as a political construct did not command great plausibility, as was for example, the case in Belgium, France and Spain the policy of ‘offloading’ those functions I have already touched upon, was originally couched as an extension to the principle of ‘participant democracy’, of central national administration sharing responsibility with new ‘partners’. In point of fact, such a policy subsequently involved

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grafting in a new strain – higher education’s responsiveness to a regional market. Even so, this ‘regional market’ was not presented in first instance in terms of the pure milk of Ultra-Liberalism. Rather it was hailed as higher education’s serving a linguistic or historical community - a policy long debated along very different lines and more often than not in obedience to a rationale very different from supply-side economic theory or for that matter from the emerging canons of ‘new public management’. The main justification for creating a powerful regional layer of co-ordination lay in the promise to strengthen community identity on the one hand and the recognition of historic claims to particular status on the other. (Neave, 2001) Which goes to show that in the comparative politics of higher education, as in the old song:

“It ain’t what you do
It’s the way that you do it –
That’s what gets results.”

Regionalisation: Trojan Horse for the Market?

The drive towards decentralisation, sometimes presented as ‘regionalisation’, was particularly pronounced in those systems of higher education that historically stood as heirs to the Napoleonic model of close state control. It is far from being coincidental that the first moves in this direction came from Spain, in the creation of the Autonomous Communities (Garcia Garrido, 1998) to which evaluative functions were later added. Amongst the other examples of strengthening the regional layer of administrative oversight are Belgium, which became a federation in 1988, the current reforms in Italy which, over the past four years or so have moved in the same direction (Varia, 2003; Boffo, 2004) And, last but very far from least, the dis-unification of the United Kingdom with the creation of separate Higher Education Funding Councils for England, Scotland, Wales and Northern Ireland. (Osborne, 2000)

In the case of the Disunited Kingdom, however, regionalisation did not follow exactly the same rationale as in the other three instances. For whilst the Napoleonic systems saw community identity as the Trojan horse for enhancing institutional responsiveness to the community, in Britain the policy of regionalising the prime source of public finance stood as a means of embedding into the region that fundamental principle which national government had already imposed in the late Eighties and early Nineties on British higher education – namely, that it should be driven by market forces. In short, whilst in those systems that owed much to high centralisation, the political agenda of community identity served to inject an economic rationale into the fabric of higher education, in Britain, the economic agenda had in truth already triumphed. Devolution was simply the means to give the metaphysics of the market both the institutions to shape the university as well as a very real political expression at regional level.

Unshackling or Re-shackling Mr Prometheus?

However, if we revert to our conundrum – whether Mr Prometheus is liberated by these developments or simply released on parole – we but up against another series of questions. What may be seen as a the handing down to ‘regional partners’ of the unspeakable joys of financial participation and thus of shaping that part of the once national system that comes under their purview, may also be viewed from a less happy perspective – namely, the fragmentation of national cohesion. Or, from another angle, as a ferocious multiplication in the number of ‘partners’ to which, in varying degree, depending on the powers regional authorities have been

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attributed or have subsequently accumulated around themselves, individual institutions are now responsible. In place of the single monolith of the central state as Guardian, higher education faces the multiplication of its masters, the Great Napoleon cloned into several dwarfish editions of himself – what is perhaps best expressed as *les Napoleons de proximité* endowed with powers all the greater for including not merely those of the purse but sometimes also the capacity of assessing institutional performance.

Orgies, legal and juridical.

This latter brings me to the second of the two aspects I mentioned earlier as part of the strategy of enhancing institutional responsiveness by dint of a relatively new, sophisticated instrumentality of verification and assessment. Here again, we light upon another paradox that lay across the road which, in Western Europe, shifted higher education from being a subset of the political system to becoming the handmaiden of the economic system. (Neave, in press) The paradox lies in the fact that whilst the strategic goal called for a State less given over to minute and detailed regulation and intervention, the means by which this was put in hand involved a legislative orgy virtually without precedent and which, incidentally, continues as the Bologna Process works its way down from the land of talk to the land of chalk. Now the point can be made – and it has been as part of the bitter strife between government and the higher education community in Britain during the days of Mrs Thatcher - that if the State was to modify its powers and to free Mr Prometheus to the delights of competition for students and resources, it had perforce to legislate the conditions of those freedoms. Or, no less important, to stipulate under what conditions institutional autonomy and its counterpart, economic responsibility, may be exercised within the new setting of higher education impelled by the demands of the market place rather than by what in an earlier age was termed ‘social demand’ which the State graciously underwrote.

In effect, whilst European governments set about freeing Mr Prometheus by legislative means, they were at the same time also engaged in two other fundamental revisions that had direct and radical bearing on the notion of institutional autonomy itself. The first of these transformed the basis of financing higher education to an *ex ante* mode - that is, finance based on output and on various forms of productivity rather than on input per capita funding or historic incrementalism. The second, which followed on the logic of the first, was the creation of a new instrumentality for assessing the performance of individual establishments, an instrumentality which, in its sophistication, range of criteria and ostensible precision far surpassed the system of ‘steering’ higher education by legal instrument alone.

One may, if so inclined, subject this development to a number of different interpretations – as the setting up of an instrumentality in complement to ‘steering’ by legal enactment though it is probably more accurate to see it as the prime lever in ‘remote steering’. Though few systems went so far as the British in linking institutional funding directly to institutional performance, the spread of what is perhaps best described as an ‘Evaluative stratum’ for institutional assessment, and its subsequent evolution to embrace the ‘quality’ of higher education and, from there, gradually to take on the role of accreditation agencies is one of the more outstanding features in the changing landscape of higher education in Europe this decade past.

A New Normative Stratum.

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The salient characteristic of this new normative stratum in the co-ordination between higher education and market lies precisely in whether it is to be construed as an extension of the apparatus of government co-ordination or whether it leads us into another round in the way we perceive and thus define the typology of Europe's systems of higher education. It is worth our attention because it has major implications for the way in which institutional autonomy is itself qualified. And whilst its origins lie in both in the theory of 'remote steering' and in the insistence by public authorities that individual institutions provide palpable proof of their efficiency on a basis that allows comparison to be made between establishments and between disciplines across establishments, the evaluative stratum fulfilled other purposes as well.

From a purely functional standpoint, introducing the principle of evaluation was not new. What was new, however, was the public availability of the results which effectively extended the principle of competition for resources from the research domain where it had long resided, to student choice based on the public image that attached to an establishment – an image further fuelled by the practice, that over the past decade became deeply embedded in the annual round of Europe's academic year, in the shape of league tables, lists of ranking and accounts of success or ignominy gleefully set out in both the national and the more specialised press in the form of graduation rates, rates of graduate employment, research budgets and so on.

Student Choice: Reality or Threat?

One might, as an aside, point out that we know relatively little about the real impact such league tables effectively have upon student choice: whether, for instance, students will revise their ambitions – up or for that matter down – according to the varying fortunes of individual universities. Still less do we know about the volume of such hypothetically volatile students. And whilst, there are here and there, plans to modify student fees – even in the case of Germany, for their introduction - one fundamental feature of the political economy of higher education in Western Europe, is that competition is less between establishments for students than between students to compete for places. In effect, with the notorious exception of the United Kingdom where the recent White Paper broached the principle of fees differentiated by repute and standing of the individual university and the particular discipline chosen (White Paper 2003), fee structures at undergraduate level in most Western European systems of higher education are flat rate. Furthermore, they are still determined by national legislation rather than by the individual establishment. In other words, the rhetoric much bandied about of the student as 'consumer' and the bringer of substantial resources to the institution deserves a rather more sober appraisal as does that other credo of the marketised university - to wit, that student demand is the beginning of competition if not always of institutional wisdom.

The Purpose of the Evaluative Stratum.

That student demand at undergraduate level as a lever for institutional change in Western Europe may not be as powerful as public rhetoric once reckoned, in no way detracts from the strategic goal which the Evaluative stratum was created to achieve, namely to inject the principle of competition between individual universities. What this tells us, however, is that the instrumentality and the agencies associated with it in extending competition in Western Europe had as their prime focus institutional leadership and institutional management. Student information as a means to both assist choice and to rationalise it, was not ignored. Indeed, in certain countries – Sweden being the most noteworthy – strengthening student information was

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one of the major outcomes of systematic institutional evaluation. (HSV document) But, I would argue in the context of mainland Europe, the real point of competitive focus on which the Evaluative stratum bore down was essentially on reinforcing the institution's control over its resources, in focussing its attention on seeking ways to diversity revenue and to aligning its engagement – whether to community or to market – in this light.

Regardless of the exact relationship these agencies of quality assurance and committees of evaluation had with government and irrespective of their particular location in the administrative firmament, they are direct expressions of that curious European paradox I have already mentioned – namely that injecting the market principle into higher education was the work of the State. This it did by various combinations of resource dependency on the one hand, and the promise of incentives and possible penalty on the other, rewards and penalties all the more powerful for the fact that they were not confined simply to the domain of funding. Since reports of these agencies fell in the public domain, they also impact on that most sensitive of all levers in the academic community, namely the institution's public image – that is, its claim to standing, repute and excellence.

Re-engineering the Foundations of Autonomy.

If resource dependency – ghastly term though it is – was the key to 'steering from a distance', it was also an indirect strategy since it left the working out of institutional policy largely to the institution itself. To revert to the fate of Mr Prometheus, under these conditions, the gentleman most certainly possessed the freedom to act provided he did not exceed the limit of his newly-forged evaluative chains. Autonomy to act was in effect set within two normative circles – the first being the historic legal mode and the second an immediate and operational mode arranged around indicators of institutional performance. Much more to the point, if the bounds of institutional autonomy had long been set in the former, the consequences of institutional initiative came increasingly to be conditioned by the latter. In short, the emergence of an evaluative stratum between institution and central national administration transformed what in French legal parlance would be termed as an acquired right (*droit acquis*) into a conditional relationship. The choice of what should be negotiated and thus how far institutional autonomy could be exercised or stated as a priority to be emphasised became conditional on decisions at two levels: within the individual university itself and second, on the results of its subsequent performance publicly assessed.

The interesting feature of conditional autonomy is of course that it involves a dual displacement in the role of government and thus a dual perspective on the notion of autonomy itself. On the one hand, set within the framework of the legally-based instrumentality, institutional autonomy had indeed been strengthened through delegating responsibility for such matters as personnel budget, staff employment and the institution's legal responsibility for conduct of its own affairs. In short, the individual institution assumed both the responsibility and the choice of defining the degree of autonomy and in this sense became its own Guardian. At the same time, the age-old political and administrative dilemma – who guards the Guardians themselves – was, in theory at least, solved by the putting in place of the Evaluative stratum.

Subtle Generic Mutations.

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Thus, institutional autonomy mutated into a conditional form of autonomy, subject to permanent re-negotiation between institution and the main sources of public finance – whether from national or from regional administration. Beneath this re-defining of institutional autonomy as conditional is an equally marked change in the basic principle upon which autonomy itself rests. Today, institutional autonomy has less to do with ensuring the particular conditions which the institution provides for academic work to be undertaken so much as the institution determining the particular conditions under which results are delivered. This is no small difference and is vital if we are to understand the essential demarcation between institutional autonomy in its historic form and conditional autonomy as it has taken shape in Western Europe over the past decade and a half.

Two aspects, I would suggest, contribute this conceptual re-engineering of institutional autonomy. The first of these emerges in the form of ‘contractualisation’ – that is, an agreement between ‘parties’ that one shall pay for the services the second renders according to pre-agreed terms. Though often used in French higher education to describe the financial relationship that has grown up between university, Ministry and regions since the *Loi d’Orientation* of 1989, it is, if the truth were admitted, the basic principle which, over the past decade or so in Western Europe, has come to replace the historic ties between State and higher education, once underpinned by the concept of ‘legal homogeneity’. (for this see Neave & van Vught, 1994)

Contractualisation, Financial Diversification and Institutional Autonomy.

The essential feature of contractualisation is its constant and regular re-negotiation, though obviously the timing between negotiatory rounds will vary from system to system. In France, for example, funding contracts rest on a three year basis. (check) There is, however, a further development which largely follows on from the phenomenon of contractualisation which, if not confined to resource allocation, nevertheless constitutes its major and most important part. This development is the trend increasingly to view autonomy in similar operational terms – that is, in effect, in terms of financial diversification. The argument often adduced by economists, is not dissimilar to the mechanism that once underpinned the relationship between industry and labour: where two employers compete for one worker, wages go up; where two workers compete for the same job, wages go down. Likewise, with institutional autonomy. Where an institution depends on one major funding source, institutional autonomy is dependent to the goodwill of the Prince. Where the institution draws upon multiple sources of funding, so its essential latitude to act as Master of its own house, grows correspondingly.

Yet, the ability to raise third party resources, not to mention the cost of so doing, is not negligible. And, by its very nature, the principle of competition means that some will succeed whilst others are less successful, or out and out losers. If we take the economist’s view that diversification of funding sources is a pointer to the degree of freedom in institutional self-determination and we take it at face value, clearly autonomy is no longer a monolithic, homogeneous construct. What one may conclude from this, is drastic in the extreme. Establishments of a similar task, or which in the past had formally similar legal status, no longer enjoy a similar degree of liberty even within the same national system, let alone across national frontiers, however much Europeanisation may contribute to their flattening. Quite the contrary. The theoretical degree of autonomy is, like as not, to be subject to very considerable variation depending the particular institutional strategy and priorities adopted, their success in raising revenue and resources which is to say, that autonomy becomes a negotiated if not a variable

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quality and a further element of differentiation between institutions as the institutions themselves compete for the means to secure it or even redefine their mission in such a way that it is no longer necessarily a central value. Viewed from this angle, autonomy mutates yet further and becomes less the prior condition for long term institutional commitment and endeavour so much as part of that system of incentives, rewards and penalties that the evaluative stratum has embedded in institutions of higher learning.

Indeed, if we revert to the dual perspective of autonomy as both a legal construct and as the negotiable stake in higher education systems grounded on the principle of contractualisation, we find ourselves in a truly Orwellian world where the nation's universities, like inhabitants of Animal Farm, are legally autonomous, but some, within the bounds of autonomy construed as conditional, are very certainly more autonomous than others!

Conclusion.

Where does this leave Mr Prometheus? In many ways, he is a freed man, which is very far from being the same thing as a Free Man. His degrees of freedom, responsibility and answerability have certainly grown. At the same time, so too have the draw of reward and the penalty of failure. They have become more visible and very certainly more imminent. True, his bonds have changed, though their lengthening may not always be a boon. The longer the rope, the easier it is to hang oneself or to get further enmeshed in its toils. In the world where the relationship between university and society explicitly revolves around short-term contract, Mr Prometheus has, as an honourable gentleman, given his word to be at the service of his community. The Gods, where-ever it is they sit, whether in Quality Assurance Agencies, National or Regional Evaluation Committees, have accepted his parole. They have also made very clear to him that the price of his freedom is success as they – or their Masters – have for the moment, defined it. They have not, for all that, promised to do away with the eagles which in the past and very literally, “made” or, to be disgustingly accurate, “unmade Mr Prometheus’ day” - or his liver! If Mr Prometheus is a freed man, the Divine Eagles, to make the obvious *jeu de mots*, still wait in the wings.[6,090]

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